



Rule and Interpretive/Policy Statement Review Checklist
(This form must be filled out electronically.)

This form is to be used when the current version of the rule(s) has/have not previously been reviewed. When reviewing an interpretive or policy statement, this document is to be used only if the review of the statement is not in conjunction with the review of a rule.

All responses should be **bolded**.

Document(s) Reviewed (include title):

WAC 458-16-300 Public Meeting Hall - Public Meeting Place - Community Meeting Hall

Date last adopted/issued: **9/20/98**

Reviewer: **Kim M. Qually**

Date review completed: **11/20/02**

Briefly explain the subject matter of the document(s):

WAC 458-16-300 informs taxpayers about the property tax exemption available under RCW 84.36.037 (Nonprofit organization property connected with operation of public assembly hall or meeting place) for real and personal property owned by a nonprofit organization, association, or corporation and used exclusively as a public meeting hall, public meeting place, or community meeting hall. It describes the criteria used to determine eligibility for this exemption, such as the amount of acreage that may be exempt under this statute, the required statement of availability and fees charged, and the summary of activities conducted on the property during the previous year that must accompany each year's renewal certificate.

1. Public requests for review:

YES	NO	
	X	Is this document being reviewed at this time because of a public request?

2. Need:

YES	NO	
X		Is the document necessary to comply with the statutes that authorize it?
	X	Is the information provided in the document so obsolete that it is of little value, warranting the repeal or revision of the document?
	X	Have the laws changed so that the document should be revised or repealed?
X		Is the document necessary to protect or safeguard the health, welfare (budget levels necessary to provide services to the citizens of the state of Washington), or safety of Washington's citizens?



Please explain.

WAC 458-16-300 describes how to obtain and retain a property tax exemption under RCW 84.36.037. Real and personal property owned by a nonprofit organization, association, or corporation used exclusively as a public assembly hall, public meeting place, or community meeting hall are eligible for exemption under the conditions set forth in this rule. During the 1997 legislative session, RCW 84.36.037 was amended to allow nonprofit organizations, etc. eligible for exemption under this statute to use the exempt property for pecuniary gain or to promote business activities for up to seven days a year. The rule was amended in the summer of 1998 to incorporate this statutory amendment.

3. Related interpretive/policy statements, court decisions, BTA decisions, and WTDs:

Complete Subsection (a) only if reviewing a rule. Subsection (b) should be completed only if the subject of the review is an interpretive or policy statement. Excise Tax Advisories (ETAs), Property Tax Advisories and Bulletins (PTAs/PTBs), and Interim Audit Guidelines (IAGs) are considered interpretive and/or policy statements.

(a)

YES	NO	
	X	Are there any interpretive or policy statements that should be incorporated into this rule? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
	X	Are there any interpretive or policy statements that should be cancelled because the information is currently included in this or another rule, or the information is incorrect or not needed?
	X	Are there any Board of Tax Appeals (BTA) decisions, court decisions, or Attorney General Opinions (AGOs) that provide information that should be incorporated into this rule?
	X	Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the rule?

(b)

YES	NO	
		Should this interpretive or policy statement be incorporated into a rule?
		Are there any Board of Tax Appeals (BTA) decisions, court decisions, or Attorney General Opinions (AGOs) that affect the information now provided in this document?
		Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the document?

Even though the BTA has issued a number of decisions concerning this rule, none of them contain any new information that should be incorporated into the rule.



4. Clarity and Effectiveness:

YES	NO	
X		Is the document written and organized in a clear and concise manner?
X		Are citations to other rules, laws, or other authority accurate?
X		Is the document providing the result(s) that it was originally designed to achieve?
	X	Do changes in industry practices warrant repealing or revising this document?
	X	Do administrative changes within the Department warrant repealing or revising this document?

Please explain.

The current rule was last amended in 1998. It is clear and informative as written. It provides the information necessary to administer the exemption authorized by RCW 84.36.037.

5. Intent and Statutory Authority:

YES	NO	
X		Does the Department have sufficient authority to adopt this document?
X		Is the document consistent with the legislative intent of the statute(s) that authorize it
	X	Is there a need to recommend legislative changes to the statute(s) being implemented by this document?

Please explain.

RCW 84.36.037 is the underlying statute. The rule is consistent with the intent of this statute and reflects its current text.

6. Coordination: Agencies should consult with and coordinate with other governmental entities that have similar regulatory requirements when it is likely that coordination can reduce duplication and inconsistency.

YES	NO	
	X	Could consultation and coordination with other governmental entities and/or state agencies eliminate or reduce duplication and inconsistency?

Please explain.

Property taxes are levied at the local level only. Local government and other state agencies, as appropriate, are consulted during the rule making process so the chance of adopting duplicative and/or inconsistent regulations is minimal.

7. Cost: When responding, consider only the costs imposed by the document being reviewed and not by the statute.

YES	NO	
	X	Have the qualitative and quantitative benefits of the document been considered in relation to its costs?



Please explain.

This is an interpretive rule that imposes no new or additional administrative burdens on businesses that are not imposed by law.

8. Fairness: When responding, consider only the impacts imposed by the document being reviewed and not by the statute.

YES	NO	
X		Does the document result in equitable treatment of those required to comply with it?
	X	Should it be modified to eliminate or minimize any disproportionate impacts on the regulated community?
	X	Should the document be strengthened to provide additional protection to correct any disproportionate impact on any particular segment of the regulated community?

Please explain.

This rule applies equally to all nonprofit organizations, associations, or corporations that are eligible to receive or retain an exemption on their real and/or personal property used exclusively as a public meeting hall, public meeting place, or community meeting hall. WAC 458-16-300 is written in a clear and concise manner to inform and aid this type of taxpayer about the property tax exemption authorized by RCW 84.36.037. DOR has not been approached about any difficulties or negative impacts of the rule since it was revised in 1998.

9. LISTING OF DOCUMENTS REVIEWED:

Statute(s) Implemented:

RCW 84.36.037 (Nonprofit organization property connected with operation of public assembly hall or meeting place)

Interpretive and/or Policy Statements (e.g., ETAs, PTAs, IAGs): **None**

Court Decisions: **None**

Board of Tax Appeals Decisions (BTAs):

Skagit City Community Club v. DOR, BTA Docket 53352 (1999) - whether a public meeting hall, Skagit City School, is eligible for a property tax exemption when, although available, its actual public use was sparse. The BTA found that the School did not meet the requirements of the law as a public meeting place in 1996 and 1997 for assessment years 1997 and 1998, therefore the Board denied the exemption from property tax for those years.

St. Andrew's Building Corp. v. DOR, BTA 52736 (1998) - whether a fraternal organization's meeting hall is exempt from property taxation under RCW 84.36.037 if the fraternal organization uses the hall for its own private meetings more frequently than it is used for public gatherings. The Board found that the



majority of use of the subject property was for closed meetings of various Masonic organizations and the property was not used or open to the general public 75% of the time, as required by statute.

Key Peninsula Civic Center v. DOR, BTA Docket Nos. 55497 & 55498 (2001) - whether the Taxpayer is entitled to a property tax exemption for public assembly halls (RCW 84.36.037), when it permitted use of its facilities for certain community classes and fund-raising activities. The Taxpayer is a nonprofit organization that maintains, operates, and supports the activities of the Key Peninsula Civic Center (Center). By allowing activity on the premises that amounted to pecuniary gain for persons other than the Center or other nonprofit organizations, for more than seven days in a calendar year, the Taxpayer failed to comply with the restrictions imposed by the Legislature. The Board denied reinstatement of the public-assembly-hall exemption.

Appeal Division Decisions (WTDs): **none**

Attorney General Opinions (AGOs): **none**

Other Documents: **none**

10. Review Recommendation:

- _____ **Amend**
- _____ **Repeal/Cancel** (Appropriate when action is not conditioned upon another rule-making action or issuance of an interpretive or policy statement.)
- X** **Leave as is** (Appropriate even if the recommendation is to incorporate the current information into another rule.)
- _____ **Begin the rule-making process for possible revision.** (Applies only when the Department has received a petition to revise a rule.)

Explanation of recommendation: Provide a brief summary of your recommendation. If recommending that the rule be amended, be sure to note whether the basis for the recommendation is to:

- Correct inaccurate tax-reporting information now found in the current rule;
- Incorporate legislation;
- Consolidate information now available in other documents (e.g., ETAs, WTDs, and court decisions); or
- Address issues not otherwise addressed in other documents (e.g., ETAs, WTDs, and court decisions).

The current rule was last adopted in the fall of 1998. It contains current information and directions about how to obtain and retain the property tax exemption authorized by RCW 84.36.037.



11. Manager action: Date: _____

_____ Reviewed and accepted recommendation

Amendment priority:

_____ 1
_____ 2
_____ 3
_____ 4